

**Review
Of The
Development Agreement
Between
The City of Las Vegas
And
Cliffs Edge, LLC**

July, 2009

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INTRODUCTION

On March 17, 2004 The City of Las Vegas and Cliffs Edge, LLC ("Owner") entered into a Development Agreement which became effective on March 21, 2004 (the "Development Agreement").

The Development Agreement requires certain performance of the Owner and/or Designated Builders in exchange for reasonable assurances from the City that the Owner might develop the Planned Community in an orderly fashion. Additionally, the Development Agreement obligates the City to perform certain tasks and to insure that municipal services are provided to the Planned Community at the most economic cost to its citizens.

Section 5.1 of the Development Agreement and NRS Chapter 278 require that the Owner submit a report documenting material compliance with the terms of the Development Agreement within the preceding twelve months. In fulfillment of the NRS requirement and Section 5.1 of the Development Agreement, Owner hereby submits this third review to the City. This report provides a brief history of the planned community and addresses compliance by the Owner and the City with the terms of the Development Agreement. The summary details the total number of residential units built, approved, and specific densities within each project and the Planned Community as a whole and the anticipated phases of development for the next calendar year.

The information contained herein is current as of May, 2009.

HISTORY OF THE PLANNED COMMUNITY

In May of 1999, the City of Las Vegas City Council (CLVCC) adopted the Centennial Hills Land Use Plan. As part of their approval, the Providence Planning Area (formerly Cliff's Edge) was designated for Planned Community Development (PCD). No specific land use categories were assigned. The intent was to encourage a large scale, comprehensive planned community that would be guided by the City's Planned Development procedures.

In June 2003, Owner purchased nearly 500 acres of property from the United States Government through the Bureau of Land Management. On June 23, 2003, zoning for the Subject Property was approved by the City Council and conditioned upon the execution of a Development Agreement between the Owner and the City.

Section 9.1 of the Development Agreement required the Owner to complete a Master Traffic Study to establish the total mitigation needed to offset the regional impact of increased traffic resulting from the development of the Planned Community. The Master Traffic Study was submitted by the Owner and subsequently approved by the City on April 14, 2005.

The Planned Community is currently marketed as "Providence Master Planned Community". Residential for-sale neighborhoods are being built in Providence by builders including KB Home, Beazer Homes, Lennar Homes, Meritage Homes, Ryland, Pulte, Toll Brothers, Woodside Homes, Picerne, and Pardee Homes. In February 2007 the first residents moved into the community. As of May 10, 2009 there have been 1,371 closings and 1,425 net sales.

There have been three multi-family developments approved in the Planned Community; Pods 103, 125/126, and 308. Of those only Pod 125/126 has been constructed.

One mixed use site has been approved in the Planned Community. Pod 122 was approved on May 16, 2007 for 218 townhomes and 32,400 square feet of commercial development. Two shell commercial buildings have been constructed and the townhomes are under construction.

Public infrastructure has made great strides in and around the Planned Community to keep pace, with and support, the forthcoming residential development. To date: 90% of the primary infrastructure improvements have been completed, this includes 100 percent of all sewer improvements and rough grading of all Master Plan Roadways. Most of the streets have been significantly completed and are being utilized by the general public, including all of Dorrell Lane, Farm Road, Grand Teton Drive, Egan Crest Way, Shaumber Road Hualapai Way and Elkhorn Road. In addition, 100% of all major storm drain facilities and 100% of all water improvements have been completed. Henry and Evelyn Bozarth Elementary School is currently being constructed by the Clark County School District at the northwest corner of Egan Crest Drive and Severance Lane and is scheduled to be open for the 2009-2010 school year.

The following chart summaries the status of the key requirements set forth in the Development Agreement and related documents.

REQUIREMENTS

Facility	Requirement	Commencement	Explanation of Requirement	City Action	Developer Action	Reference	Status
Park - Pod 111	Design, construct and dedicate park	Commence prior to issuance of 2,500 residential permit	As dictated by 6.2(a); Parks required amenities	Ensure construction has begun prior to 2,500 permit	Complete Park prior to 6,000 residential permit	3/17/04 6.2 -Parks; 6.2(a); required amenities; 6.2(b); time for completion	Trigger not reached
Park - Pod 302	Design, construct and dedicate park	Commence prior to issuance of 6,000 residential permit	As dictated by 6.2(a); Parks required amenities	Ensure construction has begun prior to 6,000 permit	Complete Park prior to 7,200 residential permit	3/17/04 6.2 -Parks; 6.2(a); required amenities; 6.2(b); time for completion	Trigger not reached
Multi-Use Transportation trail	Construct Trail	Commence by January 31, 2006		Ensure construction has begun and been completed by specific dates.	Complete by December 31, 2008	3/17/04 6.3; Multi Use Transportation Trail	90% Complete. Portion of trail adjacent to POD 103 is incomplete due to suspended construction of POD by builder
Thematic Parkway Loop	Open Space adjacent to primary roadway	To be constructed concurrently with roadway	Include some of the following amenities: turf areas; walking/jogging/bike areas; trees; plants	Ensure construction occurs concurrently with roadway	Construct parkway loop. Probable completion by June 2008.	3/17/04 6.4; Thematic Parkway Loop	Construction 100% complete
Flood Control facilities	None	N/A	None	N/A	None	3/17/04 6.5; Use of Flood Control Facilities	N/A
Residential Construction Tax	Tax Credit to Owner pursuant to 4.24					3/17/04 6.6 Residential construction tax	Ongoing

Infrastructure

Item	Document	Performance Requirement	Reference	Status
Sanitary Sewer	Zon-1520 Zon-2184	Detailed Sewer Plan, including infrastructure networks, depth requirements, right-of-way/easements proposed, and phasing plan.	3/17/04 8.1 – Sewer	100% of the sewer improvements have been installed
Flood Control and Drainage	Drainage Study approved 4/15/05		3/17/04 10.1 – Flood Control Facilities and Technical Drainage Studies	Study approved 4/15/05; 100% of improvements required by study have been completed
Special Improvement District		Form SID		SID 607 formed

Transportation Improvements

Item	Performance Requirement	Reference	Status
Traffic Study	Prepare and Submit a Master Traffic Study –	3/17/04 9.1 – Master Traffic Study	Completed 4/14/05
Transportation Improvements	Construct and dedicate to the City those improvements as identified in the study.	3/17/04 9.2 – Project Transportation Improvements	All dedications complete. 100% of all roads rough graded

			<p>All roads (except Centennial is paved.</p> <p>Open grade to be applied in the future.</p>
Traffic Signals	Developer agrees to pay Traffic Signal Impact Fees	3/17/04 9.3 – Traffic Signal Improvements	<p>Design complete.</p> <p>50% of traffic poles conduit & cabinets installed.</p> <p>Fees are being paid as builders request permits.</p>

Section 4.3 – Modifications to Design Guidelines

September 19, 2007	MOD-22968	<ul style="list-style-type: none"> Revised Planned Land Use Table 2.2 pg 10 Revised Land Use Map pg 11 and Section 2 pg. 2-4 changed POD 308 from RSL to M
April 4, 2007	MOD-19114	Revised 3.2.1 Medium Density Residential, pg 3-8,9
		<ul style="list-style-type: none"> Revised 3.2.2 Sm Lot Residential, pg 3-10,11
		<ul style="list-style-type: none"> Revised 3.2.3 Res Sm Lot Mini Cluster, pg 3-12,13
		<ul style="list-style-type: none"> Revised 3.2.3.A Res Sm Lot Paseo Cluster, pg 3-14,15 Revised 3.2.3.B Res Sm Lot Rear Loaded, pg 3-16,17 Revised 3.2.4 Res Sm Lot Mini-Lot, pg 3-19, 20
		<ul style="list-style-type: none"> Revised 3.2.5 Medium Low & Low Res, pgs 3-21,22,23,24
		<ul style="list-style-type: none"> Revised 3.3.6 Perimeter Edges-Varying Rear Setbacks, pg 3-28
		<ul style="list-style-type: none"> Revised 3.5.2 Signage- Added appendix A, pg 3-29
		<ul style="list-style-type: none"> Added 4.1 Introduction-Architectural Styles, - added Classic Americana Style, pg 4-1
		<ul style="list-style-type: none"> Added 4.3.1 Building Form-Added Classic Americana Style, pg 4-2
		<ul style="list-style-type: none"> Added 4.4.1 Roof Form and Slope, pg 4-3

		<ul style="list-style-type: none"> ▪ Added 4.10 & 4.14 Classic Americana Architectural Style, pg 4-20,21,4-30
		<ul style="list-style-type: none"> ▪ Replaced 5.2.1 Plant Materials List, pg 5-1,2,3,4,5,6
		<ul style="list-style-type: none"> ▪ Added type- 5.2.3 Rock Mulch, pg 5-7
		<ul style="list-style-type: none"> ▪ Revised 5.5 Signage- added appendix, pg 5-9
		<ul style="list-style-type: none"> ▪ Added L. - 6.2.1 Community Walls added L., pg 6-4
		<ul style="list-style-type: none"> ▪ Added color-6.2.9 View Fences, pg 6-6
		<ul style="list-style-type: none"> ▪ Added percentages-Sec 6 Exhibit B Community Walls, pg 6-10
		<ul style="list-style-type: none"> ▪ Added percentages-Sec 6 Exhibit C Community Walls, pg 6-11
		<ul style="list-style-type: none"> ▪ Added percentages-Sec 6 Exhibit D Community Walls, pg 6-12
		<ul style="list-style-type: none"> ▪ Added 8.1.1 Commercial Design Guidelines, pg 8-1
		<ul style="list-style-type: none"> ▪ Added -Appendix A-Sign Guidelines
March 13, 2006	MOD-10809	<ul style="list-style-type: none"> ▪ Revised Section 6 Entry and Wall Guidelines
February 14, 2006	MOD-10531	<ul style="list-style-type: none"> ▪ Revised Planned Land Use Table 2.2 pg 10 ▪ Revised Land Use Map pg 11 and Section 2 pg. 2-4
November 16, 2005	MOD-9174	<ul style="list-style-type: none"> ▪ Revised Section 3 3.2.5 B Single Family Detached (Rear Loaded) pg. 3-20
August 3, 2005	MOD-6279	<ul style="list-style-type: none"> ▪ Revised Section 2 2.3.6 Public Facility/Open Space & Recreation pg. 12 ▪ Revised Section 3 3.1.1 Parcel Entries pg 3-1 ▪ Added new exhibits 7a & 7b pg 3-4 & 3-5 ▪ Added note Section 3 3.1.3 pg 3-2 ▪ Revised Section 3 Exhibit 8a pg 3-6 ▪ Revised Section 3 3.2.3A Residential Small Lot (Paseo Cluster)pg 3-13 ▪ Revised Section 3 3.2.3B Residential Small Lot (Rear Loaded) pg 3-14 ▪ Added Exhibit pg 3-15 ▪ Revised Section 3 3.2.4 Residential Small Lot (Mini-Lot Conventional) pg 3-16 ▪ Revised Section 5 5.10 Community Lighting pg 10 ▪ Revised Section 5 5.10.1 Street Lighting pg 5-11

		Added new exhibits Section 5 Exhibit 14a, 14b, 14c, 15, pgs 5-12,5-13,5-14,5-15 <ul style="list-style-type: none"> Portions of Section 6 which were replaced with MOD-10809
July 9, 2004	MOD-4237	<ul style="list-style-type: none"> Revised Section 3 Exhibit 8a Private Interior Residential Streets pg 3-6
May 5, 2004	MOD-3955	<ul style="list-style-type: none"> Revised portion of Section 6 which was replaced with MOD-10809
February 27, 2004	MOD-3189	<ul style="list-style-type: none"> Revised Section 3 3.1.2 pg 3-2

SUMMARY

All requirements of the City and the Owner pursuant the Development Agreement have been fulfilled to date. As of May 15, 2009, 2,221 permits have been issued by the City of Las Vegas for dwelling units. Builders within Providence have had approximately 6,733 lots approved via separate Tentative Maps and Site Development Plan Reviews. The following tables depict approved densities, pending approvals, and vacant pods:

Approved Densities per Tentative Maps

POD(S)	UNITS	ACRES
125, 126	516	18.98
303	190	17.7
113	220	20.9
205	313	40.52
303A	170	22.23
201, 203	223	41.1
211	286	40.84
305, 309	275	40.81
115, 116, 117	612	94
118	189	30
202, 204, 205, 102, 107, 108	930	148
207	252	40.4
106, 109	246	40
209	234	40.3
212, 119	295	53.13
121	110	22.38
114	124	31.34
123	211	57.4
301	192	20.5
105	201	17.9
103	492	20.96
122	218	15.69
308	234	15.69
TOTAL	6733	890.77

Vacant Pods

208	272	15
307	253	15
TOTAL	525	30

Actual Units per recorded Final Maps

POD(S)	UNITS	COMMENT
125, 126	516	
303	190	
113	219	
205	306	
303A	170	
201, 203	223	
211	136	188 remaining lots on FMP-23421 expires 06/20/09
305, 309	275	
115, 116, 117	612	
118	189	
202, 204, 205, 102, 107, 108	921	
207	252	
106, 109	245	
209	119	FMP-26040 remapping lots on some existing lots, expires 10/17/09
212, 119	294	
121	110	
114	59	65 remaining lots on FMP-12284, expires on 08/29/08
123	211	
301	192	
105	127	74 remaining lots on FMP-22263, expires 01/11/09
103	492	
122	218	
TOTAL	6076	

In the next 12 month period it is anticipated that mapping will take place on the two remaining vacant residential Pods (307 and 208). 2,221 dwelling units have been permitted and are under construction, the multi-use transportation trail will be significantly completed. Builders will continue to pull permits and construct homes based on market demand.

